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SUBJECT: HUE PROVINCIAL LEADERS TALK GREEN DEVELOPMENT, CLEAN GOVERNMENT, AND GRASSROOTS DEMOCRACY

Ref A) 07 Hanoi 1817

¶11. (SBU) SUMMARY: Hue provincial officials are pushing for clean industry. In discussions with the DCM, Provincial People's Committee Chairman Nguyen Ngoc Thien argued that green development is necessary both to protect Hue's large and growing tourist industry and to differentiate Hue from its larger and more industrial neighbor Danang. Thien also claimed to be putting into place measures to ensure a rationalized, more transparent bureaucracy as a means to fight corruption. In separate meetings December 9-10, Thien and his colleague, Communist Party Vice Chair Nguyen Van Cuong, agreed that eliminating district-level people's councils would be a useful step in streamlining the bureaucracy, but argued for a delay in instituting direct elections of commune-level People's Committee chairmen. END SUMMARY.

Clean, Green...

¶12. (SBU) Meeting the DCM December 10, the Chairman of the Hue Provincial People's Committee Nguyen Ngoc Thien emphasized the importance of clean industry in and around Hue, arguing that polluting industries, while profitable in the short term, would put Hue's tourist industry in jeopardy. Noting that green development would also serve to distinguish Hue from its more industrially developed neighbor Danang, Thien pointed to a recent decision to appoint a geologist working in the provincial department of natural resource protection to run the province's new Chan May Lang Co Economic Zone (reftel). According to Thien, Hue Province had already turned down proposals from major Korean, Taiwanese, and Indian steel companies that wanted to invest in the Zone out of concern that the industries would be too polluting. Thien reported that the Zone had secured investments for several large "green" developments, including proposals by a Singaporean company (\$875 million) and Saigon Invest Group (\$400 million) to build resort complexes. Thien acknowledged that plans for a high-tech zone are progressing more slowly, but expressed optimism that Hue's stature as a center for education would ultimately help in luring high-tech companies to the area.

...Bureaucratically Lean and Mean

¶13. (SBU) Turning to Hue's efforts to fight corruption, Thien argued that the most important factor is transparency. Thien highlighted efforts to create one-stop shopping for local services such as birth certificates and land registration. Previously, each relevant agency had its own commune-level office, and this stove-piping led to inefficiency and corruption. But now, as a result of his changes, each commune now has one caseworker who serves as an ombudsman of sorts, coordinating with government agencies on the resident's behalf. In separate meetings, Thien and his counterpart on the Provincial People's Council, CPV Vice Chair Mr. Nguyen Van Cuong, expressed general support for abolishing the People's Council at the district level, arguing that because district People's Councils have no budgetary oversight they essentially are middlemen

in the process. Eliminating the district-level Councils would free up funding at the commune level and allow greater oversight from the provinces, Cuong stated.

¶14. (SBU) Moving to the subject of "grassroots democracy," Thien and Cuong were less enthusiastic about plans to allow the direct election of People's Committee Chairmen at the commune level, and voiced support for the National Assembly's decision to delay the measure. The two argued that the National Assembly needs to first alter other existing laws that require that the People's Council at the commune level appoint the chairmen of the People's Committee to avoid potential conflict.

¶15. (SBU) Bio-note: Chairman Thien is a dynamic speaker and answered readily answered questions from the DCM, even those that touched on sensitive topics. Thien has been to the U.S. twice on trade missions and speaks some English. He studied in the former USSR (Ukraine) for 10 years. His father died during the Vietnam War.

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